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OFFICE OF PETITIONS

In re Application of	:
Pitell et al.	:
Application No. 09/663,171	:
Patent No. 6,352,121	:
Filed: September 15, 2000	:
Issue Date: March 5, 2002	:
Attorney Docket No. 99-1870	:
Title: VEHICLE FIRE	:
EXTINGUISHER SYSTEM	:

This is a decision on the renewed petition filed on May 16, 2011, pursuant to 37 C.F.R. § 1.378(e), requesting reconsideration of a prior decision pursuant to 37 C.F.R. § 1.378(b), which refused to accept the delayed payment of maintenance fees for the above-referenced patent.

This renewed petition pursuant to 37 C.F.R. § 1.378(e) is **DENIED.**¹

THERE WILL BE NO FURTHER RECONSIDERATION OF THIS MATTER BY THE OFFICE.

Receipt of the \$400 fee that is associated with the filing of this renewed petition is acknowledged.

The concurrently submitted Revocation and Appointment of Power of Attorney and the change of correspondence address contained therein have been entered and made of record.

¹ This decision is a final agency action within the meaning of 5 U.S.C. § 704 for the purposes of seeking judicial review. See MPEP § 1002.02.

Background

The patent issued on March 5, 2002. The grace period for paying the 3½-year maintenance fee provided in 37 C.F.R. § 1.362(e) expired at midnight on March 5, 2006, with no payment received. Accordingly, the patent expired on March 5, 2006 at midnight.

Any petition to accept an unavoidably delayed payment of a maintenance fee filed under 37 C.F.R. § 1.378(b) must include:

- (1) the required maintenance fee set forth in 37 C.F.R. § 1.20 (e) through (g);
- (2) the surcharge set forth in 37 C.F.R. § 1.20(i)(1), and;
- (3) a showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely and that the petition was filed promptly after the patentee was notified of, or otherwise became aware of, the expiration of the patent - the showing must enumerate the steps taken to ensure timely payment of the maintenance fee, the date and the manner in which patentee became aware of the expiration of the patent, and the steps taken to file the petition promptly.

Both the surcharge associated with a petition to accept the late payment of a maintenance fee as unavoidable and the 3½ and 7½-year maintenance fees were submitted on January 24, 2011, along with a one-paragraph statement of facts. Petitioner has also included an overpayment in the amount of \$70. This \$70 will be refunded via the issuance of a Treasury Check in due course.

The first and second requirements of Rule 1.378(b) have been satisfied. The third requirement of Rule 1.378(b) has not been satisfied, as will be discussed below.

The standard

35 U.S.C. § 41(c)(1) states, *in pertinent part*:

The Director may accept the payment of any maintenance fee... after the six-month grace period if the delay² is shown to the satisfaction of the Director to have been unavoidable.

² This delay includes the entire period between the due date for the fee and the filing of a grantable petition pursuant to 37 C.F.R. § 1.378(b).

37 C.F.R. § 1.378(b)(3) is at issue in this case. Acceptance of a late maintenance fee under the unavoidable delay standard is considered under the same standard for reviving an abandoned application under 37 C.F.R. § 1.137(a). This is a very stringent standard. Decisions on reviving abandoned applications on the basis of "unavoidable" delay have adopted the reasonably prudent person standard in determining if the delay was unavoidable:

The word 'unavoidable' ... is applicable to ordinary human affairs, and requires no more or greater care or diligence than is generally used and observed by prudent and careful men in relation to their most important business.³

In addition, decisions are made on a "case-by-case basis, taking all the facts and circumstances into account." Nonetheless, a petition cannot be granted where a petitioner has failed to meet his or her burden of establishing that the delay was "unavoidable."⁴

The burden of showing the cause of the delay is on the person seeking to revive the application.⁵

Application of the standard to the current facts and circumstances

An original petition pursuant to 37 C.F.R. § 1.378(b) was filed on January 24, 2011, where Patentee explained that on June 1, 2010, he learned that this patent has expired for failure to submit the 3-½ year maintenance fee, and has alleged that he "paid the patent fees and the maintenance fees in advance," and that the "Invention Submission Corporation's patent attorney" failed to tell him that the patent was expired when he paid said fees.

The period for paying the 3½-year maintenance fee without the surcharge extended from March 5, 2005 to September 4, 2005 and for paying with the surcharge from September 5, 2005 to March 5, 2006. Thus, the delay in paying the 7½-year maintenance fee

³ In re Mattullath, 38 App. D.C. 497, 514-15 (1912) (quoting Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (1887)); see also Winkler v. Ladd, 221 F. Supp. 550, 552, 138 U.S.P.Q. 666, 167-68 (D.D.C. 1963), aff'd, 143 U.S.P.Q. 172 (D.C. Cir. 1963); Ex parte Henrich, 1913 Dec. Comm'r Pat. 139, 141 (1913).

⁴ Haines v. Quigg, 673 F. Supp. at 316-17, 5 U.S.P.Q.2d at 1131-32.

⁵ Id.

extended from March 5, 2006 at midnight to the filing of this renewed petition on May 16, 2011.

Patentee has provided an indication of the manner in which he became aware of the expiration of the patent, as well as the steps taken to file the original petition.

The record does not contain a showing that the delay was unavoidable, as will now be pointed out.

The record does not contain an enumeration of the steps taken to ensure timely payment of the maintenance fee. An adequate showing that the delay in payment of the maintenance fees at issue was "unavoidable" within the meaning of 35 U.S.C. 41(c) and 37 CFR 1.378(b)(3) requires a showing of the steps taken to ensure the timely payment of the maintenance fees for this patent. Where the record fails to disclose that the patentee took reasonable steps to ensure timely payment of the maintenance fees, 35 U.S.C. § 41(c) and 37 C.F.R. § 1.378(b)(3) preclude acceptance of the delayed payment of the maintenance fee under 37 CFR § 1.378(b).

With this renewed petition, Patentee has asserted that he was under the impression that he paid "the maintenance fees in advance,"⁶ however the papers which he has provided with this renewed petition do not support this assertion. Patentee has submitted a plurality of documents which were provided to him by his former patent counsel, and it is noted that each of them clearly indicates that Patentee would be responsible for the submission of the maintenance fees:

- "WESTERN INVENTION SUBMISSION CORPORATION SUBMISSION AGREEMENT," makes no mention of any obligation of the company to submit maintenance fees for Patentee, and it is noted that paragraph 22 on page C5 states "[t]his Agreement is the entire Agreement between the parties; and any verbal statements not specifically incorporated into this written Agreement are abandoned, void, and of no force and effect; and this written Agreement is the entire and only Agreement between the parties;"
- "INTRONAKR PROPOSAL:" makes no mention of any obligation of the company to submit maintenance fees either for or on behalf of Patentee, and it is noted that paragraph 10 on page 3 states "[t]his Agreement is the entire Agreement

⁶ Renewed petition, page 7.

between the parties; and any verbal statements not specifically incorporated into this written Agreement are abandoned, void, and of no force and effect; and this written Agreement is the entire and only Agreement between the parties;"

- "PATENT SERVICES ADDENDUM," paragraph three, indicates that the "[c]lient will be responsible for all government fees, as defined in the attached outline..." It is noted that the "attached outline" lists, *inter alia*, the 3½-year maintenance fee, the 7½-year maintenance fee, and the 11½-year maintenance fee;
- Letter from Ivar M. Kaardal to the two joint inventors dated March 19, 2002, which explicitly states "INSTRUCTIONS REGARDING PAYMENT OF MAINTENANCE FEES" (emphasis included) These four (4) pages explain the steps you must follow in order to maintain your legal rights for the full patent term." The four pages consist of an identification of the three maintenance fees which are required in all utility patents, an indication as to when they must be submitted to the Office, a sample maintenance fee transmittal form, and a sample change of address form. A fifth page appears to have been included with this mailing, which discusses the need to submit maintenance fees, the fact that they are subject to change in dollar amounts annually, and an indication as to when they must be submitted to the Office.

Nowhere in the written material that Patentee has provided has his former patent counsel assumed the responsibility to submit maintenance fees on his behalf: to the contrary, his former patent counsel appears to have clearly indicated that it was Patentee's responsibility to timely submit the maintenance fees to the Office. However, Patentee argues that he was under the impression that he "could pay the 3½ years and 7½ years maintenance fees along with the patent's registration, patent search and attorney fees at the same time, which I was told that I could. So I paid all fees for the patent and the maintenance fees in advance."⁷ It is noted with interest that Patentee has failed to provide any written evidence which would substantiate this allegation, or any receipt which would show that this payment had been made for this particular reason and expectation.⁸

⁷ Renewed petition, page 7.

⁸ Petitioner has provided several receipts, contained within Exhibits U and V, however these contain financing obtained to submit the petition to reinstate the expired patent.

Patentee has provided two sheets of paper which contain handwritten notations allegedly made by him, which he has asserted constitutes proof that his patent counsel would submit the maintenance fees on his behalf. Exhibit N contains a sheet labeled "INSTRUCTIONS FOR ISSUE FEE," where Patentee appears to have written "all mentans (sic) fees are paid in full 3½ and 7½." Exhibit O contains form PTOL-85b, which contains the handwritten note "all fee fors (sic) after were paid in full 3½ and 7½ years." These two vague handwritten notations do not constitute persuasive evidence that Patentee's former patent counsel had agreed to submit the maintenance fees to the Office on his behalf, in direct contravention to the clear language which appears in the "WESTERN INVENTION SUBMISSION CORPORATION SUBMISSION AGREEMENT," the "INTRONAKR PROPOSAL," the "PATENT SERVICES ADDENDUM," and the letter from Ivar M. Kaardal to the two joint inventors dated March 19, 2002.

Moreover, with this renewed petition, Patentee has not indicated what amount was paid, when was this payment made, and to whom was this money tendered, as was inquired on the fourth page of the decision on the original petition.

As such, the record does not support a finding that Patentee had any steps in place for ensuring the timely submission of the maintenance fees.

Conclusion

The prior decision which refused to accept, under 37 C.F.R. § 1.378(b), the delayed payment of a maintenance fee for the above-identified patent, has been reconsidered. For the above stated reasons, the delay in this case cannot be regarded as unavoidable within the meaning of 35 U.S.C. § 41(c)(1) and 37 C.F.R. § 1.378(b).

Both the surcharge that is associated with the filing of a petition pursuant to 37 C.F.R. § 1.378(b) and the 3½-year and 7½-year maintenance fees will be refunded via the issuance of a Treasury Check in due course. The \$400 fee that is associated with the filing of this renewed petition cannot be refunded.

Telephone inquiries should be directed to Senior Attorney Paul
Shanoski at (571) 272-3225.



Anthony Knight
Director
Office of Petitions